

RESPONSES TO REQUEST FOR QUALIFICATIONS RELATED TO DEVELOPMENT OF THE NAVAL MARINE RESERVE CENTER

Developer

The Reading Hospital and Medical Center
Sixth Avenue and Spruce Street
West Reading, PA

Previous Development Experience

The Reading Hospital and Medical Center has developed numerous health care facilities over the decades since its founding in 1867. Projects have included new construction and remodeled facilities on its main West Reading campus, as well as, in other communities served including: center city Reading, Spring Township, Exeter, Muhlenberg, Kutztown and Hamburg.

A sample of more recent projects includes:

- The N Building addition on the West Reading campus. The 380,000 square foot project cost \$167 million and was completed in 2005.
- An ambulatory services center at Spring Ridge in Spring Township. The 100,000 square foot building has been operational for 5 years and was constructed at a cost of \$30 million.
- The School of Health Sciences located in Reading on Museum Road opened in January 2008. The 60,000 square foot facility provides state of the art instructional facilities for its several health sciences programs and had a project cost of \$31 million.

Illustrations of these three buildings are provided in the attachments.

Financial Capacity

The Reading Hospital and Medical Center holds an AA bond rating. Its capital reserves exceed \$750 million. The Hospital realized an operating margin of 8% on net patient revenues exceeding \$600 million in its fiscal year 2008. This margin is representative of the hospital's annual operating performance over the last decade.

Development Team Members

The proposed project will be managed by the Hospital's internal project management team.

Ballinger Architects based in Philadelphia would be the design firm for the project. Ballinger was the principal architect for the Hospital's N Building addition and its ambulatory building at Spring Ridge.

No specific building design has yet been developed. Consequently, no contractors or construction management firm have been designated to work on this proposed project.

The hospital has utilized both larger regional and local construction firms for its projects including Skanska, Warfel, Wohlsen, Reider among others.

Proposed Project Concept

The hospital proposes using the Reserve Center site as a corporate office campus. The hospital is in need of approximately 60,000 – 70,000 square feet of office space to accommodate a variety of administrative operations in reasonably close proximity to the West Reading campus. These administrative functions include: fiscal affairs, materials management, human resources, and information management services. Other functions such as communications and public relations may be relocated to this site as well.

The hospital would construct an additional structure on the Naval Marine Reserve Center site to supplement the space available in the existing structure in order to provide the capacity that is needed to house the various operations mentioned.

Hospital's Goals and Criteria

The Reserve Center offers a location that is in close proximity to the Hospital's West Reading campus facilitating staff interaction between the two locations. No clinical services would be offered in the corporate office center. Thus, the traffic impact on the Reserve Center site would be limited to the approximate 150 – 200 employees who would be based there.

The working hours of the administrative staff are predominantly 8:00 a.m. to 5:00 p.m.

Community Benefit

The Reading Hospital and Medical Center provides a comprehensive range of health care services to the residents of Berks County and is the dominant provider of acute and emergency services to residents of the City of Reading. Relocation of administrative operations offsite allows the hospital to decompress its West Reading campus and free up valuable square footage for growing clinical programs.

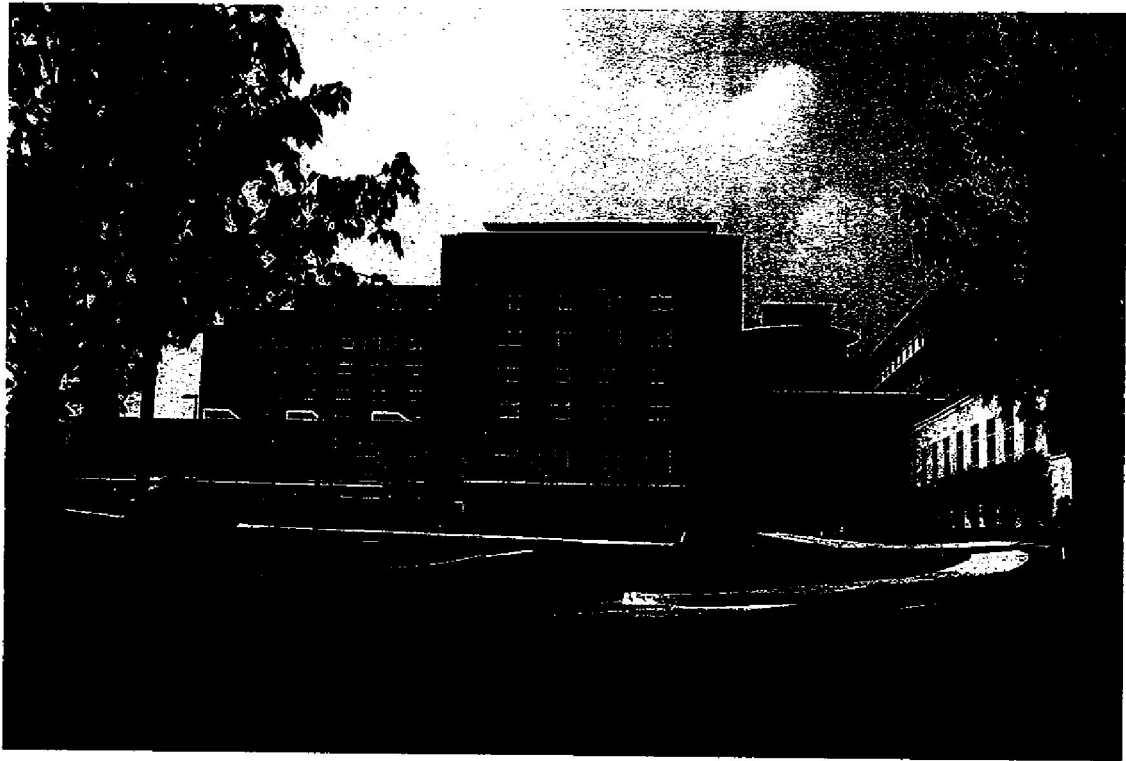
The hospital has established itself as a good corporate citizen in the various municipalities it operates in. It pays particular attention to the aesthetics of its facilities, ensuring that they compliment surrounding residential and commercial areas and are well maintained.

The hospital makes every effort to work cooperatively with the municipalities in which it operates not only to comply with all ordinances and regulations but also to address concerns that local governments and area residents may have about the impact of a hospital initiative.

The Reading Hospital and Medical Center is grateful for the opportunity to submit a response to the City of Reading's Request for Qualifications. Please do not hesitate to contact the following individuals if you have questions or need additional information.

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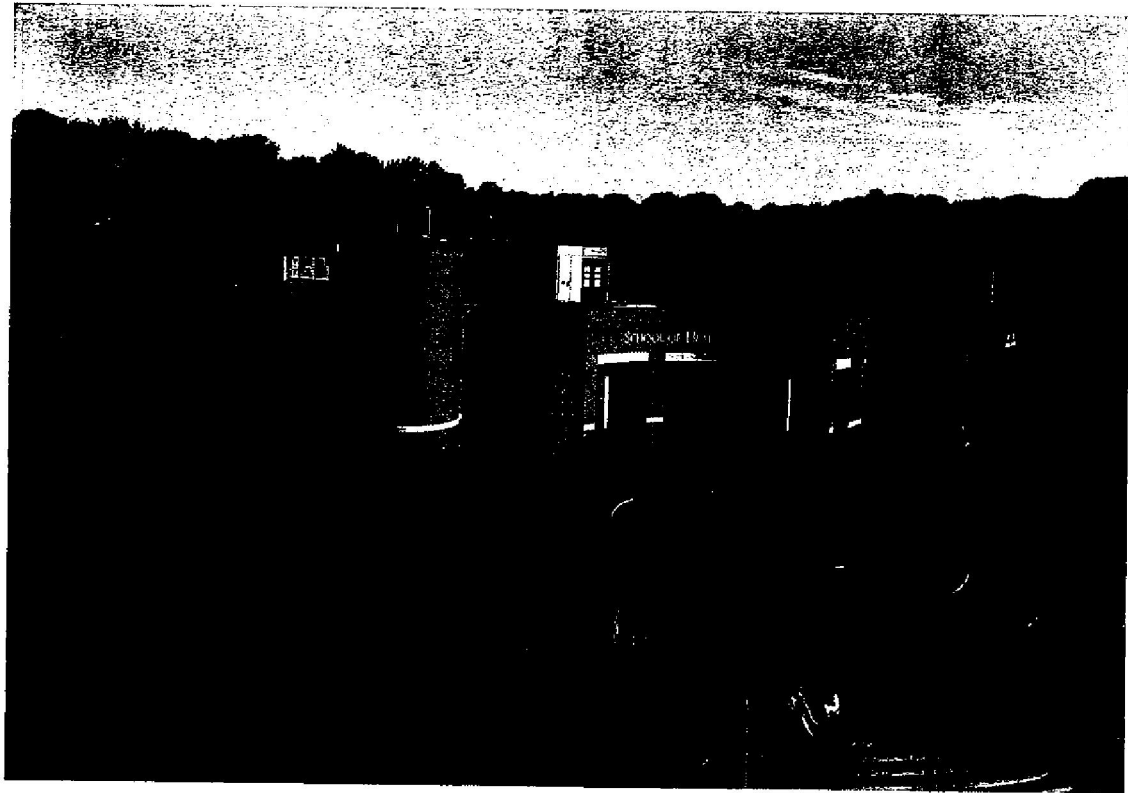
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N Building



Spring Ridge Ambulatory Center



School of Health Sciences